


MEMORANDUM

To: Kent Street, Chairman, Executive Committee

From: Walter S. Willis, Executive Director 

Subject: July 2009 Meeting Notice Information

Date: July 9, 2009

Attached you will find the agenda for this month's meeting, the minutes from our June 2009 meeting, and the referenced consent, action and/or informational items.

I look forward to seeing you all at this month's meeting.

SOLID WASTE AGENCY OF LAKE COUNTY, IL
EXECUTIVE COMMITTEE
Thursday July 16, 2009 12:00 Noon
1311 N. Estes Street Gurnee, IL 60031

1. CALL TO ORDER.....Chairman Street
2. ROLL CALL Secretary
3. APPROVAL OF MINUTES
Minutes of June 18, 2009 Regular Meeting
4. NEW AGENDA ITEMS
5. PUBLIC COMMENT ON AGENDA ITEMS
6. EXECUTIVE COMMITTEE ITEMSChairman Street

Action Items

1. Construction and Demolition Debris Recycling Facility Zoning Regulations

Information Items

1. Budget Scenarios For FY 2010
 2. Amendment to the SWALCO Intergovernmental Agreement
 3. Status of SWALCO/IEPA Household Chemical Waste (HCW) Agreement
 4. Website RFP Update – Not in Packet
 5. Project and Program Updates
-
7. COMMITTEE MATTERS
There will be an election of Executive Committee Chairman and Vice Chairman at this meeting.
 8. EXECUTIVE SESSION –
Personnel Matters
 9. ADJOURNMENT

MINUTES

SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS EXECUTIVE COMMITTEE

THURSDAY JUNE 18, 2009 12:00 NOON
1311 N. ESTES STREET, GURNEE, IL 60031

MEMBERS PRESENT: Mike Ellis, Mike Flynn, John Norris, Glenn Ryback Kent Street, Highland Park (Will Jones), Lake County (Diana O'Kelly). Staff: Walter Willis, Executive Director; Steve Nelson, Household Chemical Waste Engineer; Peter Adrian, Recycling Coordinator; Merleanne Rampale, Public Information Officer; Barbara Amadei, Secretary; Larry Clark, General Counsel.

ALSO PRESENT

Larry Mount, Chairman, SWALCO Board; Trustee Richard Koomjian, Riverwoods; Wil Christensen, Project Intern; and Jim Lewis, Veolia.

CALL TO ORDER

Chairman Street called the meeting to order at 12:07 p.m. with 7 members present.

APPROVAL OF MINUTES

Motion by Ryback, seconded by Flynn to approve the Public Hearing minutes of April 16, 2009. Motion was approved.

Motion by Norris, seconded by Ryback to approve the minutes of April 16, 2009. Motion was approved.

PUBLIC COMMENT

None.

NEW AGENDA ITEMS

None.

EXECUTIVE COMMITTEE ACTION

Action Items

1. Resolution Recognizing the City of Highland Park's efforts in Supporting SWALCO's Residential Electronics Collection Program

Motion by Ellis, seconded by Norris to approve the Resolution honoring Highland Park for electronic collection. Motion was unanimously approved.

Information Items

1. Reuse -A-Shoe Program Results

Ms. Rampale reviewed the shoe collection results for 2009.

2. DOT Packaging Requirements for Alkaline Batteries.

Mr. Nelson reported that the Department of Transportation (DOT) recently implemented a new packaging requirement for alkaline batteries. DOT now requires that the terminals on alkaline batteries be "secured" to prevent short circuiting before they are accepted for transport. Mr. Nelson stated that taping the terminals will require additional manpower and time and would add significant cost to our HCW Program. Alkaline batteries are classified non-hazardous by EPA regulations and the heavy metals have not been used in the manufacturing process since 1998. Staff will work towards eliminating the collection of alkaline batteries through the HCW Program and will refer residents to vendors such as Battery Solutions for those who want to divert them from landfills. We will encourage residents to buy rechargeable batteries.

Mr. Willis stated that we would also be changing our wording for pharmaceuticals to show we will not be taking controlled substances at our HCW collections. We are continuing to look for venues for residents to dispose of controlled substances.

3. April & May HCW Collection Results

Mr. Nelson reviewed the results from the HCW collections of April and May. The cabinets at the Lincolnshire-Riverwoods Fire Department satellite facility are in. They are hoping for an August/September opening date.

4. 1st Quarter 2009 Recycling and Per Ton Payment Report

Mr. Adrian stated that recyclable material is 8% lower than the first quarter last year. There will be no payment in the 2nd quarter. The Village of Mundelein initiated a cart collection program which makes 22 municipalities and three townships collecting recyclables with carts.

5. 2008 Illinois EPA Municipal Waste and Recycling Survey

Mr. Adrian reviewed the annual report he sends to the IEPA. He stated that 2008 ended with a 50% recycling rate. He reviewed the charts showing the recycling rates and recycling stream composition.

6. Budget Update

Mr. Willis provided different revenue scenarios for review for the upcoming budget. The revenue will be impacted due to the continued decrease in landfill volumes and the decrease in revenue from the local surcharge. Revenues have dropped approximately 16% since 2005. Expenditures have been cut, but the budget is projected to have a deficit of \$52,000 with no impact from the Crystal Lake Transfer Station and a deficit of \$141,000 with an impact from the Crystal Lake Transfer Station.

Mr. Willis reported that Wisconsin is going to increase the surcharge fee of \$5.90 to \$13.00. The 1.7 million tons of waste going to WI will go somewhere else. Some of that volume might go to Lake County. If some of that material goes to Lake County, the surcharge fee will increase, but the life of the landfill will decrease and there will be more truck traffic.

Mr. Willis stated that the Legislative Committee agreed that the surcharge revenue needs to be increased. He will work with the legislators on getting that approved. Staff will continue to make expenditure cuts to try to balance the budget. Mr. Willis is also still finalizing the exchange with the County of the Affected Area Compensation Fee and the County Surcharge Fee. The interest from the

Surcharge Fee will help towards balancing our budget.

The Committee agreed that new revenue sources needed to be found. The Committee asked Mr. Willis to make expenditure cuts and come back to the Committee with balanced budgets under both scenarios. It was also suggested to leave the webpage as is for now and to not spend money on redoing it at this time. Mr. Willis stated that the O&M Fee could be raised; we could build a transfer station and assess an administrative fee; bid out a regional disposal cost; or leasing some of our space at the facility as a transfer station.

7. Amendment to the SWALCO Intergovernmental Agreement

Mr. Willis explained that the SWALCO Intergovernmental Agreement needs to be amended to address the issue of how the composition of the Executive Committee is decided and who is eligible to be a SWALCO Director and a SWALCO Alternate Director. He explained that an amendment to the plan has to be unanimous by the members.

He stated that the original document states that of the nine members on the Executive Committee, three must be from members with a population of more than 30,000; Lake County is a permanent member, which leaves two open seats. At that time there were only two members with populations over 30,000 - Waukegan and Highland Park. Now there are five - Waukegan, North Chicago, Highland Park, Mundelein, and Gurnee. Options include expanding the size of the Committee to include all members with 30,000; appoint the two members with the highest population; or open the seats up to an election process and select two from the list.

It was agreed that the County should remain a permanent member. It was also agreed that the Executive Committee should remain at nine members.

It is the recommendation of the Executive Committee to forward to the full Board that the Committee remain at nine members; that the County remain a permanent member, that the 2 members with the largest populations (certified via census) take two seats (if they are willing), and have the six remaining seats be at-large. The Committee agreed that term limits be set for two-year staggered terms. It was also decided to review this process after each term election and census count. Motion by Flynn, seconded by Ryback to forward these recommendations to the full Board. Motion was approved. It was also agreed to outreach to Waukegan to get them back in SWALCO.

Director Definition

Larry Clark reviewed that the agreement provides for a Mayor/President; Trustee, council member, alderman or commissioner; or Chief Administrative Officer to be the Director or Alternate for a member. An interpretation has been made over the years that the Chief Administrative Officer can be determined by the member, such as a Public Works Director responsible for solid waste purposes, would be accepted as a director/alternate. This interpretation was made by the former director, but never by an amendment. Mr. Clark feels that we should amend the agreement now, especially since we will be amending it for the Executive Committee composition. We need to make a determination if the members can choose who is going to be a director/alternate or if it will remain the same as currently listed in the agreement.

Chairman Street asked if there was any challenge to this practice over the years that would show this modification caused a problem? Mr. Clark stated that there has been none. Mr. Norris, Riverwoods, explained that he lost his election and there was discussion if he could be maintained by the village as

their representative on SWALCO and he believes that the wording should be modified because the term "Chief Administrative Officer" doesn't exist in statute and it needs to be defined. There are quite a few people on the board who do not meet the current definitions as written in the agreement. He doesn't believe the Agency would have a problem if there is a third party member of the public on the board and that if someone from the village challenged it, the person could be removed. He believes that this process has gone on so long, that this is an argument in favor of adding this fourth category. It should be the best person to actively be involved in SWALCO for the village. He recommends that it be modified to include a broader latitude. Mr. Ellis stated initially it was written like that to have the most senior elected official on SWALCO, but it doesn't necessarily need to be like that anymore. Ms. O'Kelly asked what the mix was on the board? Mr. Clark stated that there is a mix of elected and appointed.

Mr. Clark asked if the language should be broadened to include that it has to be an employee of the member or non-employee of the member? Mr. Flynn stated that it just needs to be a mayoral appointment and doesn't have to be an employee.

Chairman Street asked for a motion to preserve the status quo and to change the language to include the category of "chief administrative officer responsible for solid waste matters" but to also encourage elected official involvement.

Mr. Flynn suggested that an elected official would be chosen as the Director and the fourth category added for the appointment of the alternate or so determined by the mayoral appointment.

It was asked if an Alternate could then serve on the Executive Committee? The secretary explained that currently for the six at-large seats, the person is elected, not the member community.

Chairman Street asked if the Committee agreed that one of the positions has to be an elected official from the member? He also asked if the language should state that the Executive Committee seat could be held by either the director or alternate?

Will Jones, Highland Park, stated that the City's position is that any director or alternate be an elected or appointed official (employee) of the representative agency.

Mr. Clark looked into any reason why a private citizen could not be a director/alternate of SWALCO. He found none.

Mr. Ellis believes that the member should have the freedom to choose who they want to represent their village/city and it shouldn't be restricted on who is the director or alternate.

The Committee asked staff to work on rewording the Agreement to include "The director should be an elected official; the alternate can be an elected official or appointed official who can meet the qualifications of our past practice." Highland Park's position is included separately for the record: the City's position is that any director or alternate be an elected or appointed official (employee) of the representative agency. This language will be presented to the Board.

8. Legislative Update

SB99 - which encourages the composting of food scraps is on the governor's desk. SB 125 which encourages the development of construction and demolition debris recycling is also on the governor's desk. Mr. Willis will bring an item to the next meeting to hire a consultant to put together some zoning

regulations for C&D recycling facilities. These C&D facilities would have to pay a host fee.

Ms. O'Kelly asked if we could use a planner from the county who would be able to together these zoning regulations instead of hiring a consultant. Mr. Willis stated that C&D facilities have special zoning regulations and it would take a specialized planner to know those regulations.

Mr. Willis stated that next year, in Springfield, we will work towards changing the surcharge fee amount.

9. Status of 2009 Plan Update

The Citizens Advisory Committee worked hard comparing the 2004 Plan to the new 2009 plan. The disposal part of the plan is all new. The Committee added the option of developing a new landfill in Lake County as a disposal option, along with expanding existing landfills.

10. Project and Program Updates

- 1) Lincolnshire is pursuing the development of an RFP for commercial recycling.
- 2) Barry Burton, County Administrator, is meeting with Veolia regarding the Host Agreement negotiations. Republic sent us a draft of their host agreement.
- 3) Staff met with representatives from Veolia, Waste Management and Groot regarding how they compile their waste quantity data.
- 4) The County Board approved the Plan Amendment.
- 5) Letters of congratulations went out to all newly elected mayors of SWALCO communities. Mr. Willis talked with the new Mayor of Waukegan and sent him information on what has transpired over the past two years.
- 6) Mr. Adrian and Wil Christensen, Project Intern are implementing the Plastic Bag Pilot Program in Lake County.
- 7) SWALCO can no longer subsidize the compost bin sale.
- 8) Mr. Willis' review will be conducted in July.
- 9) SWALCO has been assisting Lake County with the development of grant application for DOE grants; and serving on a committee to help prepare the Long Term Strategic Plan.
- 10) Ms. Rampale will be drafting an RFP for the website upgrade.

COMMITTEE MATTERS

Ms. Amadei reported that there were three terms expiring on the Executive Committee. She received three letters of nomination for those vacancies - Glenn Ryback, Kent Street and Jackie Soccorso.

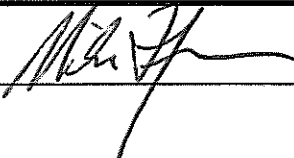
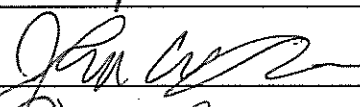
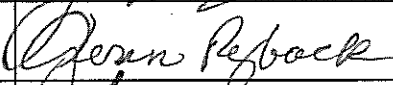

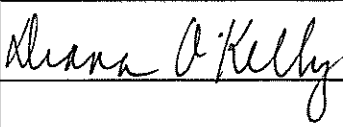
Motion by Highland Park, seconded by Ellis to accept the three letters of nomination for the three vacancies and to forward them to the SWALCO Board for discussion. Motion was approved.

ADJOURNMENT

Motion by Ryback, seconded by Highland Park to adjourn. Motion was approved.

SOLID WASTE AGENCY OF LAKE COUNTY (SWALCO)
EXECUTIVE COMMITTEE

COMMUNITY**REPRESENTATIVE****TITLE**

FLYNN		ASSISTANT VILLAGE ADMINISTRATOR
HAYNER		VILLAGE ADMINISTRATOR
NORRIS		DIRECTOR
RYBACK		MAYOR
STREET		VILLAGE ADMINISTRATOR
GRIMMOND GRIMMOND	ELLIS	1. 1. 1.
CITY OF HIGHLAND PARK	JONES	ASST. MGR.
LAKE COUNTY		COUNTY BOARD MEMBER
CITY OF WAUKEGAN		

Round Lake Beach  TRUSTEE
 Chairman SWALCO

DATE: 6-18-09

SIGN-IN SHEET

SOLID WASTE AGENCY OF LAKE COUNTY, (SWALCO)
EXECUTIVE COMMITTEE

DATE: 6-18-09

VOTING RECORD

	ATTENDANCE								
<i>NAMES</i>		A	N	A	N	A	N	A	N
FLYNN	✓								
ELLIS	✓								
NORRIS	✓								
RYBACK	✓								
STREET	✓								
HIGHLAND PARK	✓								
LAKE COUNTY	✓								
WAUKEGAN									
<i>TOTAL</i>	7								

PUBLIC SIGN-IN SHEET

[illegible]

Date 6-25-09

A – 1. Construction and Demolition Debris Recycling Facility Zoning Regulations

ISSUE: Whether to contract with Shaw Environmental, Inc. to develop zoning requirements for C & D recycling facilities, if the Governor signs SB 125.

RECOMMENDATION: The Executive Director recommends that SWALCO approve amending Shaw's existing contract to provide the services described in the attached proposal, pending the Governor signing the bill.

TIMING: Routine

BACKGROUND: With the expected signing of SB 125 by Governor Quinn, C&D recycling facilities will be allowed to be developed in Lake County without going through the state's siting process. Such sites will be subject to local zoning requirements and an IEPA permit. With the understanding that many SWALCO members' zoning ordinances and requirements may not have specific provisions for such facilities it is important to develop zoning regulations specific to these facilities and share them with the members. We need to insure that such facilities are properly located, designed, constructed and operated, which is the purpose of the zoning regulations.

I have contacted Will County (Dean Olson, County Solid Waste Coordinator) about sharing the costs (50/50) for developing these zoning regulations since SB 125 also allows such facilities into Will County without siting. Mr. Olson is investigating this and hopes to have an answer within the next couple of weeks. I proposed that we would act as the contracting entity and Will County could reimburse us for the costs, much like we did with the Countryside LF Odor Study by HDR which was jointly funded by SWALCO, Grayslake and Lake County. I anticipate working with Lake County's Planning, Building and Development Department during the development of the zoning regulations to ensure that we are sensitive to typical "zoning processes" in hopes that the regulations we develop will be easily transferable to other zoning bodies and codes. I am also open to having municipal zoning officials participate as well.

ENCLOSED DOCUMENT: Proposal from Shaw Environmental, Inc.

STAFF: Walter S. Willis, Executive Director

July 9, 2009

Mr. Walter Willis
Executive Director
Solid Waste Agency of Lake County
1311 N. Estes Street
Gurnee, Illinois 60031

Subject: Rules for Construction and Demolition Debris Facilities

Dear Walter:

Shaw Environmental, Inc. is pleased to submit this proposal to assist Lake County to develop local rules governing the location, development and operation of facilities that manage general construction and demolition debris. Shaw has helped other units of government to develop solid waste regulations including the City of Chicago and the Iowa Department of Natural Resources.

It is our understanding that legislation has been proposed to amend the Illinois Environmental Protection Act that would allow general construction demolition debris facilities to be developed in counties with populations greater than 700,000. In such counties, the facilities would not require local siting approval under Section 39.2 of the Act, or a permit from the IEPA. As a result, Lake County would like to establish local requirements to govern the development of those facilities.

Our proposal consists of two primary tasks: 1) drafting of the technical regulations; and, 2) meetings with County staff to review and refine the regulations. These tasks are described further below.

Task One. Draft C/D Rules. Shaw will prepare draft technical rules governing the development of general construction and demolition debris facilities. In developing these rules, Shaw will review the draft transfer station regulations proposed (but not adopted) by the IEPA, local regulations adopted by the City of Chicago, and our experience with construction and demolition debris facilities. The rules will address location (e.g., setback requirements), development and operation of the facilities.

At this stage, we anticipate that the C/D rules will be incorporated into the Unified Development Ordinance of Lake County. However, as discussed under Task Two, we propose to meet with the appropriate County staff at the initiation of work to discuss the most appropriate mechanism (e.g., UDO, stand-alone ordinance, standard conditions to Conditional Use approval, etc.) under which to incorporate the new rules, as well as preferred formatting.

Note that our scope is to prepare the technical elements of the C/D rules. Shaw does not provide legal services and our proposal assumes that the County will use its attorneys to address any legal aspects of rule adoption and implementation.

Our fee proposal for Task One is \$10,700 and includes preparation of the draft C/D rules and incorporation of one round of comments from the County.

Task Two. Meetings. Shaw proposes to meet with County staff at the initiation of work to discuss the objectives of the C/D rules and the most appropriate mechanism under which to incorporate the new rules. In addition, follow-up phone conferences and meetings may be required to review the draft rules and finalize them. We have proposed meeting costs on a "per event" basis for: 1) meetings with County staff at Shaw's office in St. Charles; 2) meetings with County staff in Lake County; and, 3) phone conferences.

Project Meeting at Shaw office (St. Charles)	=	\$710
Project Meeting in Lake County	=	\$1,480
Phone Conference	=	\$710

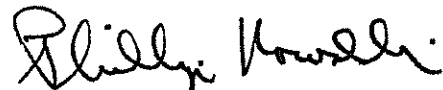
For instance, if the project initiation meeting is held in St. Charles, and one progress meeting is held during the drafting of the rules via phone conference, and a final meeting is held in Lake County to review comments on the rules, the cost would \$2,900 (= \$710 + \$710 + \$1,480).

Proposal Summary. Our proposal assumes that the proposed work would be conducted as an addition to scope under our current contract with SWALCO. Upon notice to proceed, we anticipate that a draft version of the rules can be prepared within approximately 45 days. The schedule for finalizing the rules would depend on the time required by County staff and to review and comment on the draft rules as part of the County's normal process for rule-making activities.

We look forward to working with SWALCO and Lake County on this important effort. If you have any questions on our proposal, please contact me at (630) 762-1400.

Very truly yours,

Shaw Environmental, Inc.



Phillip Kowalski
Client Program Manager

I – 1. Budget Scenarios for FY 2010

BACKGROUND: Building off of last month's information item on the FY 2010 budget I have prepared and attached two spreadsheets: one showing proposed cuts to balance the budget assuming no impact from the Crystal Lake Transfer Station (a projected deficit of \$49,427) and another spreadsheet showing cuts to balance the budget assuming an impact from the Transfer Station (a projected deficit of \$138,325).

As stated previously, the major impact on our budget situation has not been excessive expenditures (we have cut our budget even with increased costs for salaries, benefits and the county's indirect fee), it is the loss in revenue from the landfill surcharge we continue to experience – over \$210,000 less than we received in 2005.

It is my belief that we must work harder to find new sources of revenue, this fact has not changed since I was hired 2 years ago. Our best short term solution is to enact legislation that increases the surcharge revenue from the landfills. Long-term options will be developed and presented to the Executive Committee in the coming months. Regardless, it is still necessary to continue to find ways to cut our expenditures without gutting our programs and mission.

The attached spreadsheets identify additional cuts that can be made. If we continue to be impacted by lower surcharge revenue and are not successful in finding new revenue sources tough cuts will have to be made involving both personnel and programs. This is an early wake-up call, if you will, when the day comes that the landfills close in Lake County and our traditional/primary funding source is no longer available.

ENCLOSED DOCUMENTS: Spreadsheets showing two budget cutting scenarios for FY 2010

STAFF: Walter Willis, Executive Director

SWALCO Budget Projection for FY 2010, Scenario 2 - With impact from Crystal Lake TS					
	2009 Approved	2010 Estimated	2010 Anticipated Adjustments		
Revenues					
Local Surcharge on Landfills	\$1,150,000	\$932,272			
Interest Income on Surcharge Balance	\$0	\$72,158			
O & M Fee	\$170,000	\$190,000			
Pleasant Run Host Fee	\$2,000	\$2,000			
Hauler licensing	\$1,500	\$1,500			
C&D Program fees	\$1,000	\$1,000			
Total	\$1,324,500	\$1,198,930			
Expenditures					
SWALCO:					
Administration (92000010)	\$833,750	\$838,245			
Education (92000020)	\$40,600	\$40,600			
HCW (9200030)	\$220,700	\$226,410			
Recycling (9200040)	\$37,000	\$22,000			
Subtotal	\$1,132,050	\$1,127,255			
Lake Co. Health Dept., Solid Waste Unit:					
Program costs funded through Local Surcharge					
Fund	\$208,282	\$210,000	Estimate		
Total	\$1,340,332	\$1,337,255			
Surplus (Deficit)	-\$15,832	-\$138,325			
Additional Exp. Cuts to Balance Budget:					
Administration:					
Consultant Fees		\$20,000	No funding for LF audits (due under a 2 year cycle), no other consulting fees		
Trips and Training		\$6,000	Eliminate all conference expenses, only fund OSHA training		
Food and Provisions		\$3,000	Eliminate funding for Open House, Leg. Breakfast and lunches during Exec. Mtgs.		
Misc Contractual Services		\$3,500	One time expense in 2009 budget for painting, delay painting to future budget		
Misc. Contingency		\$10,000	Cut by 2/3		
Education:					
Misc. Contractual Services		\$13,600	Eliminate funding for env. Educators, educational materials and speakers		
Advertising		\$15,000	Eliminate funding for newspaper advertising		
HCW:					
No cuts due to loss of IEPA funding					
Recycling:					
Misc. Commodities		\$12,950	Eliminate all funding except for supplies for e-scrap collections and RAS		
Misc. Contractual Services		\$2,900	Eliminate all funding for suppl. Staff costs for e-scrap events and tent for RAS		
Subtotal of Proposed Cuts:		\$86,950			
Other:					
Personnel cuts (reduce hours and/or positions)		\$30,000			
Cut funding for HCW Program Events		\$21,375			
Total of All Cuts:		\$138,325			

I – 2. Amendment to the SWALCO Intergovernmental Agreement

BACKGROUND: At last month's Executive Committee meeting and the Board of Directors meeting we discussed the issues concerning the composition of the Executive Committee and the qualifications necessary for being appointed the Director or Alternate to SWALCO's Board by the member community.

We appeared to reach consensus on the Executive Committee composition:

- Continue to have a nine member committee
- Lake County would continue to have a permanent seat
- The two municipalities with the highest populations (per census or special census data) would have the option to appoint a representative, if they declined the next in line would have the option to appoint
- Terms should be staggered for the remaining six at-large seats

The issue regarding qualifications of the Director or Alternate is more complicated in that the Intergovernmental Agreement calls for certain qualifications for appointees (Mayor/Village President, Trustee/Councilperson/Alderman, Chief Administrative Officer) yet over 20 of SWALCO's appointees do not fit into one of these categories. This is an issue that must be resolved by SWALCO now that we are aware of this disconnect. Highland Park raised a concern about the necessary qualifications for an appointee at the Executive Committee meeting and now in writing (see attached letter from Highland Park's City Manager).

At the Board of Directors meeting the sentiment of those in attendance was to create a fourth category of appointee, and that the ultimate decision on who best to represent the municipality be left up to the governing body of the municipality. The situation in Riverwoods was also discussed with John Norris be re-appointed to SWALCO as Riverwoods' Director without being either an elected official or employee of the Village. Again, the consensus of those at the meeting was that the qualifications of the appointee should be left up to the member's governing body to decide. As the letter from Highland Park indicates, Highland Park does not agree with this.

To date, we have not heard from about half of SWALCO's members (since about 18 members were not in attendance) on either of these issues nor have we heard the feedback from those at the meetings after discussing this further with their boards/councils, except for Highland Park. Highland Park is recommending the appointment of a subcommittee to examine the potential amendments to SWALCO's Intergovernmental Agreement and by-laws. It is imperative that we begin a process for building consensus on amending the Intergovernmental Agreement and By-laws and I look forward to discussing this at the meeting.

ENCLOSED DOCUMENTS: Letter from Highland Park

STAFF: Walter Willis, Executive Director



CITY OF HIGHLAND PARK

1707 ST. JOHNS AVENUE
HIGHLAND PARK, ILLINOIS 60035 • (847) 432-0800

OFFICE OF CITY MANAGER

July 7, 2009

Mr. Kent Street
Executive Board Chair
Solid Waste Agency of Lake County (SWALCO)
1311 North Estes Street
Gurnee, Illinois 60031

Dear Kent:

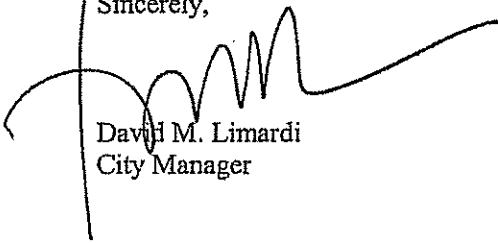
I am writing this letter on behalf of the City of Highland Park in connection with a recent request to allow a member of SWALCO's Executive Board to continue serving on this committee, despite the fact that he is no longer an elected official for the municipality that he formerly represented as a delegate to SWALCO.

At the June 18, 2009 meeting of the Executive Board, the City of Highland Park expressed objections to a proposed amendment to the Agency's by-laws that would allow a member community to appoint a non-elected elected official or staff member to serve as a community's SWALCO delegate, thus allowing any such individual to serve on the Agency's Executive Board. To date, the City maintains its original position, and believes that this issue warrants further analysis and discussion.

Given the tremendous growth experienced by SWALCO and within Lake County and many member communities since the Agency's founding nearly twenty years ago, the City of Highland Park believes that now is the appropriate time for the Executive Board to appoint a subcommittee to examine potential amendments to SWALCO's by-laws, specifically as they relate to member representation. At minimum, this will help to ensure that the agency's mission best reflects the interests of all member communities, as we continue to work collectively to address the various challenges related to the disposal of municipal waste during the next twenty years.

Should you have any questions regarding the information contained herein, please do not hesitate to contact me at (847) 926-1000 / dlimardi@cityhpiil.com.

Sincerely,



David M. Limardi
City Manager

cc: Steven Mandel, Councilman, City of Highland Park
Walter Willis, Executive Director, SWALCO

I – 3. Status of SWALCO/IEPA HCW Agreement

BACKGROUND: SWALCO's Household Chemical Waste Program (HCW) operates under an Intergovernmental Agreement with the Illinois Environmental Protection Agency (IEPA). The Agreement provides general operating guidelines, funding to cover the transportation and disposal of the wastes collected in addition to naming the IEPA as the generator of record.

On June 30, 2009 the Executive Director received a phone call from Doug Clay, Deputy Director of the IEPA Bureau of Land. Mr. Clay informed Mr. Willis that the Solid Waste Management Fund will be swept again as part of a bill pending on the Governor's desk (to help address the State's budget deficit) and if signed that funding for our Agreement would be eliminated (and our Agreement would be terminated based on discussions with IEPA on July 7, 2009). Until this bill is signed and we receive a termination letter from the IEPA we still have an Agreement and funding in place.

Needless to say, terminating the Agreement puts SWALCO in a very difficult situation. To continue our current Program as is (32 events) SWALCO would need an additional \$450k (estimated, based on costs of the program as administered by the IEPA) to cover the transportation and disposal costs. SWALCO would also need to procure waste disposal contracts as we cannot piggy back off of the IEPA's disposal agreements. Finally, SWALCO would be listed as generator of record although exemptions exist (i.e. non RCRA wastes, municipal exemptions etc.).

The Agreement has a 45 day termination clause. The IEPA has informed us that we can continue to conduct events within that period of time and that the IEPA will be legally/financially responsible for wastes generated within the 45day period.

This potential development does not mean the end of SWALCO's HCW Program. Continued dependence on State funding may no longer be a prudent approach for our program. We need to view this as an opportunity to improve the economics of the program as we would have total control over the HCW Program (i.e. new waste disposal options, freedom to restrict participants etc.).

Options we are looking into include:

1. Investigating ways to reduce the program costs by: 1) no longer accepting certain wastes (latex paint, alkaline batteries), 2) restricting access to our events to SWALCO members only, 3) entering into better disposal agreements (the IEPA currently pays to have the used oil recycled, we could easily create revenue by selling the oil on our own), and 4) possibly developing a co-op with the other permanent sites and "Partners for Paint" sites (Ela Township is one of many statewide) to get better pricing from disposal facilities and contractors who help run events. Finally, the model of using fire departments as collection sites (the Lincolnshire-Riverwoods FPD satellite collection site) and using their personnel to accept and store the HCW materials may be an excellent approach that will save SWALCO the costs associated with hiring outside contractors to perform that work as we currently do for all of our events.

2. Raising the local surcharge fee through legislation (possibly trying to do this during the veto session this fall) and using the increased funding to help cover program costs.
3. Asking our members to approve adding a "HCW program fee" to the refuse bills that go to their residents. This would in effect be a user fee approach at the level of the resident, not asking for the members to pay out of their general funds. With about 200,000 households paying the O&M fee we would need about \$2 per household per year to run the program as we currently do. We may also find that as we cut our costs that the fee may not need to be as high.
4. Looking into leasing space at our facility to a private vendor allowing it to more effectively package and transfer hazardous and special waste. We would need Gurnee's ok on this and would likely need to site and re-permit the facility (a cost we would attempt to have the private vendor pay for) and increase our insurance coverage (again a cost that could be covered by the vendor).
5. Cutting back our HCW program to a level we can fund internally (this would be about a 70% reduction in our current program). Regardless, we will need to develop a plan for how many events we can fund on our own for the rest of this fiscal year and into next fiscal year which we will present to the Executive Committee at its August meeting.

ENCLOSED DOCUMENT: None

STAFF: Walter Willis, Executive Director and Steve Nelson, HCW Engineer

I – 5. Project and Program Updates

BACKGROUND: The following are updates on several projects and programs we are currently working on:

1. Walter Willis met with representatives of Golden Oaks/Midwest Compost and County Board member Bonnie Thomson Carter on June 25th to discuss a potential food waste composting project and pursuing a large grant from DCEO (federal stimulus funds). The parties agreed to continue to investigate the opportunity.
2. There has been no progress on the host agreement negotiations. We continue to wait on the private sector companies to respond.
3. Draft copies of the proposed Intergovernmental Agreement with Lake County (to allow SWALCO to collect the surcharge and to transfer the surcharge balance to SWALCO) and the proposed MOU with Lake County and the Lake County Health Department (to provide continued funding from the surcharge revenue) have been sent to the County Administrator for his review. After his review is complete we anticipate meeting with the Health Department to work out a funding arrangement suitable to both parties.
4. The Plastic Bag Task Force's pilot program is underway. A media event has been scheduled for July 20th, 10 am, at Sunset Foods in Libertyville. We anticipate that several members of the Task Force will be in attendance, including Sen. Link, Rep. Ryg, Rep. Cole and County Board member Ann Maine. We are also working on a new page for the website that will contain up-to-date information on where to recycle plastic bags and film in Lake County. We appreciate the efforts of our local retailers to work with us on this program.

STAFF: Walter Willis, Executive Director